

Assembly Concurrent Resolution

No. 85

Introduced by Assembly Member Torrico
(Principal coauthors: Senators Corbett and Wright)

July 23, 2009

Assembly Concurrent Resolution No. 85—Relative to New United Motor Manufacturing, Inc.

LEGISLATIVE COUNSEL'S DIGEST

ACR 85, as introduced, Torrico. New United Motor Manufacturing, Inc.

This measure would make various statements regarding the importance of New United Motor Manufacturing, Inc. (NUMMI) to the California economy and would declare the necessity for the Legislature to utilize its vested powers to keep NUMMI in California.

Fiscal committee: no.

1 WHEREAS, The Legislature is currently convening in special
2 session to address the state's fiscal emergency; and
3 WHEREAS, The Legislature must employ its vested powers to
4 protect the state's workers and industries; and
5 WHEREAS, California once boasted eight automobile
6 manufacturing plants within its borders; and
7 WHEREAS, The one remaining automobile manufacturing plant
8 in the western United States resides in Fremont, California; and
9 WHEREAS, This one remaining plant, New United Motor
10 Manufacturing, Inc. (NUMMI), represents a 50-50 joint venture
11 formed in 1984 between General Motors Corporation and Toyota
12 Motor Corporation; and

1 WHEREAS, General Motors recently declared bankruptcy,
2 thereby relinquishing its shares in NUMMI to Toyota or any other
3 entity willing to purchase those shares; and

4 WHEREAS, The departure of General Motors from the joint
5 venture may compel Toyota to close NUMMI; and

6 WHEREAS, NUMMI produces approximately 250,000 cars
7 and 170,000 trucks on an annual basis; and

8 WHEREAS, NUMMI employs nearly 4,700 workers who live
9 throughout the San Francisco Bay area and, through its purchase
10 of supplies, supports over 15,000 more workers throughout the
11 state; and

12 WHEREAS, The closure of NUMMI would cause destructive
13 reverberations throughout California's economy; and

14 WHEREAS, NUMMI supports local economies and major
15 industries in all areas of the state by purchasing products from
16 over 1,000 suppliers, vendors, and small-parts manufacturers,
17 totaling \$523 million in annual payroll and benefits; and

18 WHEREAS, Shipping industries such as the Port of Oakland
19 and the Union Pacific Railroad greatly depend on the existence of
20 NUMMI; and

21 WHEREAS, The loss of NUMMI from California would have
22 a longstanding and devastating impact on the people of the state;
23 and

24 WHEREAS, As a state, California is Toyota's largest market;
25 now, therefore, be it

26 *Resolved by the Assembly of the State of California, the Senate*
27 *thereof concurring*, That it is the Legislature's priority to take swift
28 and decisive action to protect its workers and industries; and be it
29 further

30 *Resolved*, That the Legislature recognizes the necessity to utilize
31 its vested powers to keep NUMMI in California; and be it further

32 *Resolved*, That the Chief Clerk of the Assembly transmit copies
33 of this resolution to the author for appropriate distribution.